

IN THE CHANCERY COURT OF HICKMAN COUNTY, TENNESSEE

KEVIN P. LAVENDER, In his official
capacity as Commissioner-In-
Possession of Sentinel Trust Company
and Receivership Management, Inc.,
Receiver of Sentinel Trust Company,

Plaintiffs,

v.

DANNY N. BATES, et al.,

Defendants.

No. 4980

FILED

AM APR 01 2010 PM

LINDA A. GOSSETT, CLERK & MASTER
BY: *Linda Gossett* D.C.

WCK

~~PROPOSED~~
**ORDER DENYING DEFENDANT BATES' MOTION TO DISMISS COMPLAINT
FOR MISCONDUCT BY PLAINTIFFS**

Before the Court is Defendant Danny Bates' Motion to Dismiss Complaint for Misconduct by Plaintiffs, filed on March 2, 2010 ("Motion"). Plaintiffs' Response was filed on March 9, 2010 and the Motion was heard on March 12, 2010.

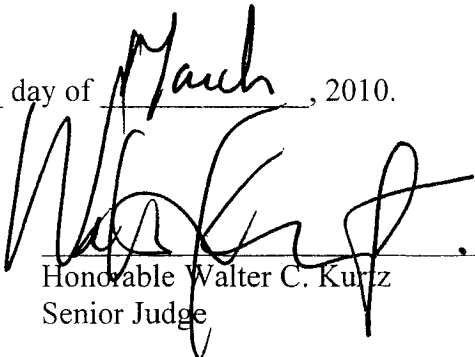
Based upon the filings made in relation to the Motion and the argument presented at the March 12, 2010 hearing, the Court finds that none of the grounds, even if true, raised by Danny Bates in his Motion would come close to the level required to dismiss the Complaint in this action. For example, and as examined at hearing on March 12, 2010, the concerns of Danny Bates arising from the posting, by Defendants, of public court filings on the Department of Financial Institutions website presents nothing more than concerns that a potential jury pool could be impacted due to this access to public information. Such can be addressed in jury selection and does not present grounds for

dismissal. Danny Bates further maintains in the Motion that Plaintiffs' misconduct is apparent from the public dissemination by Plaintiffs (again through court filings) of what he describes as confidential bondholder information. The Court finds this argument unpersuasive because, even if true, Danny Bates lacks standing to argue the point on behalf of any bondholders, and there is little, if anything, confidential about Sentinel Trust Company and the various bondholders' groups subsequent to the publication of the Tennessee Court of Appeals opinion in In re: Sentinel Trust Company, 206 S.W.3d 501 (Tenn. Ct. App. 2005). In his Motion, Danny Bates further maintained that because, in his mind, the Plaintiffs are the "State," then unfairnesses, including undue persuasion upon judges assigned to this matter and administrative transfer of the case, have occurred or could continue to occur. This argument is without merit, and also Danny Bates abandoned that argument at the March 12, 2010 hearing.

In conclusion, this Court is only aware of one instance -- where egregious criminal prosecutorial misconduct was shown -- in which a case was dismissed for "misconduct" of a party. As stated earlier in this Order, and as stated at the March 12, 2010 hearing, Danny Bates' Motion does not come close and, thus, presents no grounds upon which to base a dismissal of Plaintiffs' Complaint.

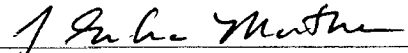
Accordingly, Danny Bates' Motion to Dismiss Complaint for Misconduct by Plaintiffs is DENIED.

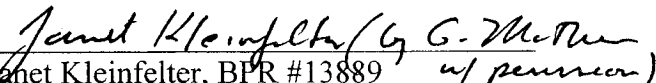
It is so ORDERED, this the 31 day of March, 2010.



Honorable Walter C. Kurtz
Senior Judge

Approved and Submitted for Entry:


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CERTIFICATE OF SERVICE

This is to certify that a true and correct copy of the foregoing has been served upon the following, via U.S. Mail and by Federal Express as noted, on this the 30th day of March, 2010.

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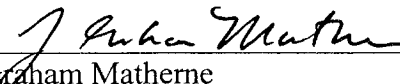
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